

LBM

Decision No. 23601

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ASSOCIATED TELEPHONE COMPANY, LTD.)
for an order authorizing it to issue) Application No. 17276
certain securities.)

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

ORIGINAL

The Commission by its order in Decision No. 23601 dated April 13, 1931 in the above entitled matter, authorized Associated Telephone Company, Ltd. to issue and sell on or before December 31, 1931 at not less than \$24.00 per share, 65,000 shares of its preferred capital stock and use of the proceeds an amount of not exceeding seventy-five cents per share to pay the expenses incident to the sale of said stock. The Commission's order further provides that the remainder of the proceeds and such portion of said seventy-five cents not needed for the payment of said expenses, shall be used to pay in part the construction expenditures referred to in Exhibit "B" and in Exhibit "C" filed in this proceeding.

The company reports that it has made some changes in its construction program, as outlined in said Exhibit "B" and Exhibit "C", which changes have made it unnecessary to issue the aforementioned stock during 1931. Some of the expenditures which have been incurred are being financed temporarily through the use of funds in the treasury of the company.

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Applicant reports /its estimated construction expenditures for 1932 amount to \$2,025,958.00. It asks that it be granted additional time to sell the 65,000 shares of stock and use the proceeds realized from the sale of said 65,000 shares of stock to reimburse its treasury to the extent that it may have used, or will use, income to pay expenditures set forth in Exhibit "B" and Exhibit "C" and to finance in part its 1932 construction expenditures, submitted in a statement filed in this proceeding on December 22, 1931.

The Commission has considered the request of applicant and is of the opinion that such request should be granted, therefore,

IT IS HEREBY ORDERED, that the Commission's order in Decision No. 23601 dated December 13, 1931, be, and the same is hereby, amended so as to permit Associated Telephone Company, Ltd. to issue and sell the 65,000 shares of its preferred capital stock referred to in said order on or before December 31, 1932, and to use of the proceeds realized from the sale of said stock, an amount of not exceeding seventy-five cents per share to pay the expenses incident to the sale of said stock and to use the remainder of the proceeds and such portion of the said seventy-five cents not needed for the payment of said expenses to reimburse its treasury on account of income expended in the construction of the additions and betterments described in Exhibit "B" and in Exhibit "C" filed in this proceeding, and to pay in part the cost of constructing the additions and betterments described in the statement filed in this proceeding on December 22, 1931, provided that only such construction expenditures may be financed through the use of the aforesaid proceeds as are properly chargeable to fixed capital accounts under the uniform system of accounts prescribed by the Interstate Commerce Commission and adopted by this Commission; and provided further, that the authority herein granted shall not be construed as an approval

by the Commission of the company's 1932 construction program in its entirety.

IT IS HEREBY FURTHER ORDERED, that the order in Decision No. 23601 dated April 13, 1931 shall remain in full force and effect, except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 28th day of December, 1931.

C. J. Seaver
Leon Whitwell
W. J. Carr
W. B. Harris
Fred G. Stewart
Commissioners.